

OFFICE OF  
INSURANCE COMMISSIONER

In the Matter of

EMPLOYERS REINSURANCE  
CORPORATION

No. D06-159

REVISED  
CONSENT ORDER  
IMPOSING A FINEFindings of Fact:

1. Employers Reinsurance Corporation ("Employers Reinsurance") is authorized to conduct insurance business in Washington State. It issues disability, property, marine transportation, vehicle, surety and casualty insurance.
2. Revised Code of Washington § 48.05.250 requires every insurer to file an annual statement for the previous calendar year with the Office of the Insurance Commissioner ("OIC") by February 28 of the following year.
3. The April Supplemental filing is a required annual statement supplement per the *National Association of Insurance Commissioners' Quarterly and Annual Statement Filing Instructions*. The Washington Office of the Insurance Commissioner ("OIC") also posts Annual Statement Filing Instructions on its website that indicate that this filing is due by April 1 of the following calendar year. WAC 284-07-050 requires adherence to these filing instructions.
4. WAC 284-07-120 requires that insurers submit to the OIC an annual audited financial statement for the previous calendar year on or before June 1 of the following year.
5. Employers Reinsurance filed its calendar year 2004 Annual Statement and its 2004 Audited Financial Statement, without the required signature, on August 30, 2005. To date, Employers Reinsurance has failed to submit its 2004 April Supplemental filing.

Conclusions of Law:

1. Employers Reinsurance's failure to timely file its calendar year 2004 Annual Statement, 2004 April Supplemental filing, and complete 2004 Audited Financial Statement constitutes one

violation of RCW 48.05.250(1), one violation of WAC 284-07-050, and one violation of WAC 284-07-120.

2. RCW 48.05.185 authorizes the Commissioner to impose a fine in lieu of or in addition to the suspension or revocation of an insurer's certificate of authority.

Consent to Order:

Employers Reinsurance consents to the following, in order to resolve this matter without further legal or administrative proceedings. The Insurance Commissioner consents to resolve this matter in consideration of the insurer's payment of a fine as set forth below.

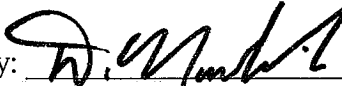
1. Employers Reinsurance consents to the entry of the foregoing Findings of Fact and Conclusions of Law, and acknowledges its duty to comply fully with all applicable laws and regulations of the State of Washington.

2. Within thirty days of the entry of this Order, Employers Reinsurance will pay to the Insurance Commissioner a fine in the amount of \$2,500 (two thousand five hundred dollars).

3. Failure to pay the fine in full within thirty days of the entry of this order will constitute grounds for revocation of the certificate of authority held by Employers Reinsurance in Washington State. It will also result in a civil action being brought by the Attorney General on behalf of the Insurance Commissioner, to recover the fine.

Executed this 25 day of August, 2006.

EMPLOYERS REINSURANCE CORPORATION

By: 

Printed Name: DAVID NEWKIRK

Printed Corporate Title: VICE PRESIDENT

Pursuant to the foregoing Findings of Fact, Conclusions of Law, and Consent to Order, the Insurance Commissioner orders as follows:

Order:

1. Employers Reinsurance Corporation is ordered to pay, within thirty days of the entry of this order, a fine in the amount of \$2,500 (two thousand five hundred dollars).

2. Failure to pay the fine timely and in full will constitute grounds for revocation of the certificate of authority held by the insurer in Washington State. It will also result in a civil action

being brought by the Attorney General on behalf of the Insurance Commissioner, to recover the fine.

Executed this 30<sup>th</sup> day of August, 2006

MIKE KREIDLER  
Insurance Commissioner

By:

  
**Marcia G. Stickler**  
Legal Affairs Division